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STATE LEGISLATURE, MADRAS

THE MADRAS LEGISLATIVE COUNCIL

Saturday, the 15th February 1958.

The House met in the Council Chamber, Fort St. George, at three of the clock, Mr. Chairman (THE HON. DR. P. V. CHERIAN) in the Chair.

I.—QUESTIONS AND ANSWERS.

STARRED QUESTIONS.

Financial adjustments between Andhra and Madras

* 17 *Q.*—SRI T. PURUSHOTHAM : Will the Hon. the Minister for Finance be pleased to state with reference to the answer to the Legislative Council Question No. 342 given on 22nd August 1955, whether all financial adjustments between Madras and Andhra consequent on the formation of the Andhra State have been finally settled, and if not, the stage at which the matter now stands?

THE HON. SRI C. SUBRAMANIAM : No, Sir. The financial adjustments have not been finally settled.

The charges connected with the servicing and repayment of the outstanding Public Debt as on 30th September 1953 are being shared by the Madras, Andhra (Pradesh) and Mysore State Governments provisionally in the population ratio, pending its allocation with reference to the capital outlay in each area as provided for in the Seventh Schedule to the Andhra State Act, 1953. The details regarding the outlay on Tungabadhra Project are still under correspondence. The Andhra Government have also referred a few points in this regard to the President of India for orders under section 51 of the Andhra State Act. The allocation of the liability for the balance under certain deposit heads, e.g., Civil Deposits, other Deposit Accounts, etc., is also still under correspondence with the Andhra Pradesh Government.

SRI T. PURUSHOTHAM : Will the Hon. Minister indicate to us, Sir, what the probable or approximate amount that has yet to be adjusted is and will this be allowed to drag on so that we may make final adjustments after the realignment of the Northern border?

THE HON. SRI C. SUBRAMANIAM : In any event, the final settlement will not take place before that. The amount would be only in the order of lakhs, not crores.

Supply of rice to Madras State

* 18 *Q.*—SRI MOHAMED RAZA KHAN : Will the Hon. the Minister for Home be pleased to state—

(*a*) the quantity of rice applied for and the quantity supplied to Madras State by the Union Government during the period between October and December 1957; and

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(b) the quantity of rice proposed to be supplied during the period between January and March 1958?

THE HON. SRI M. BHAKTAVATSALAM : (a) In September 1957 the Government of India conveyed their decision that rice would not be supplied from Central Stocks to the Fair Price Shops in this State from 1st October 1957. Subsequently, as a result of further negotiation, the Government of India agreed to supply 4,000 tons of rice per month to the Fair Price Shops in this State, on a loan basis, for a period of three months, viz., October, November and December 1957, as against the maximum monthly quota of 8,000 tons of rice that they were previously supplying.

(b) The Government of India have agreed to continue the supply of rice at 4,000 tons per month on a loan basis till the end of February 1958.

SRI V. CHAKKARAI CHETTY : May I ask the Hon. Minister what is the purpose of this reciprocal supply of rice—we supply to the Government of India and the Government of India supply to us? What is the idea of the reciprocal arrangement?

THE HON. SRI M. BHAKTAVATSALAM : There is no question of reciprocal supply in this matter. The Government of India supply rice for the purpose of meeting the requirements of the Fair Price Shops from their own stock and replenish their stock from imports and supply to us at a subsidized price so that we may sell rice in Fair Price Shops at subsidized rates.

SRI MOHAMED RAZA KHAN : May I know whether it is a fact that when the Government of Madras decided to close down Fair Price Shops in the City of Madras, the Government refused to supply rice except on the basis of loan?

THE HON. SRI M. BHAKTAVATSALAM : Yes, Sir. This Government have decided to close down all the Fair Price Shops from 1st March next and the Government have arrived at that decision not only because the Government will not be able to supply rice further, but also because this Government felt that there would be no need for Fair Price Shops and that they should not be a permanent feature.

SRI T. P. SRINIVASAVARADAN : May I know whether the Government are aware of the fact that from the time Fair Price Shops were opened, the price was slowly going down and that if they close down these shops, the price would go up?

THE HON. SRI M. BHAKTAVATSALAM : I do not believe that on account of the fact that we close down the Fair Price Shops, the price would go up again. As a matter of fact, in this City American rice is being supplied for the last few months and still the price is high.

SRI T. P. SRINIVASAVARADAN : Will the Government give us an assurance that in case the prices go up, they would again open Fair Price Shops?

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THE HON. SRI M. BHAKTAVATSALAM : I cannot say that continuance of Fair Price Shops has a direct bearing on the price factor. The Fair Price Shops are mainly intended to enable poor people to secure rice at a particular reduced price. Of cource, whenever it is found necessary, this Government will certainly try to revive the Fair Price Shops. But from 1st March onwards, this Government do not think that there would be any difficulty about people getting rice in the City and in the mofussil.

DR. V. K. JOHN : May I know the quantity of rice produced in this State and the quantity required for consumption?

THE HON. SRI M. BHAKTAVATSALAM : I may tell the hon. the Deputy Leader of the Opposition that as much rice as is required for consumption in this State is now produced, although I shall not be able to give him the exact particulars just now.

SRI MOHAMED RAZA KHAN : Sir, the other day the Hon. Minister said that the Government of Madras would not purchase rice in the open market. Now that they have taken a loan from the Government of India, how will they be paying it back—whether in kind or in cash?

THE HON. SRI M. BHAKTAVATSALAM : It is not a question of procuring rice from within this State in order to replenish the Government of India's stock and there is no urgency about returning the loan of rice. We may take our own time for that.

SRI K. BALASUBRAMANYA AYYAR : Supposing the prices rise—of course, they may not rise—will the Government think of introducing control over the rise in price?

THE HON. SRI M. BHAKTAVATSALAM : Yes, Sir. That is also under the consideration of the Government.

DR. V. K. JOHN : If we are producing rice in sufficient quantity, is there any need to import rice into the State?

THE HON. SRI M. BHAKTAVATSALAM : There is free movement of rice between State and State and we have also to guard against lean years when the monsoons fail and against other difficult situations.

SRI K. BALASUBRAMANYA AYYAR : Will the Government of India supply us wheat if we find it necessary?

THE HON. SRI M. BHAKTAVATSALAM : In fact, we do not propose to close down the Fair Price Shops entirely but wheat will be available even after the 1st March. There is no difficulty about it and there is sufficient quantity of wheat.

SRI MOHAMED RAZA KHAN : Will the Hon. Minister consider the fact that there has been a persistent demand from various places in the mofussil that at least in some places these Fair Price Shops should continue?

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THE HON. SRI M. BHAKTAVATSALAM : If rice is to be supplied at reduced rates, it is but natural that people would like to have it. I would tell the hon. Member that in dry districts like Salem and North Arcot there are no Fair Price Shops and that there is no demand for them.

DR. V. K. JOHN : May I take it that there is sufficient stock of rice to meet any emergency and that there is no need for the public to be worried about it?

THE HON. SRI M. BHAKTAVATSALAM : Yes, Sir. There is no need for alarm in the matter.

3-10 p.m. SRI MOHAMED RAZA KHAN : May I know, Sir, how the Fair Price Shops were run in the last one or two years? Where they run on a " no loss and no gain " basis, or did the Government make some money or incur some loss?

THE HON. SRI M. BHAKTAVATSALAM : The rice was sold at subsidized rates—at about two annas less than the market rate—and the Government of India all along bore that difference.

DR. A. SREENIVASAN : Sir, if there is self-sufficiency in rice, where is the need to move rice outside? Why not we conserve all the rice in our State?

THE HON. SRI M. BHAKTAVATSALAM : I may tell the hon. Member that there is no control in force on the free movement of rice from State to State. After the formation of the Southern Zone, movement of rice from out of the zone is restricted, but there is free movement of rice between Madras, Kerala, Andhra and so on.

SRI T. P. SRINIVASAVARADAN : Sir, will the Government see that samba wheat is sold in Fair Price Shops? (It is not at present sold there.)

THE HON. SRI M. BHAKTAVATSALAM : I have been looking into the matter. I shall see whether samba wheat can be made available for sale in Fair Price Shops.

SRI MOHAMED RAZA KHAN : Sir, is the Hon. Minister aware that representations have been made that the prices of rice in our State have gone up consequent on the heavy purchase of rice here by neighbouring States?

THE HON. SRI M. BHAKTAVATSALAM : I do not think, Sir, that prices have gone up exclusively on account of this movement of rice. On the other hand, there are prducers also who complain that free movement is restricted. They are interested in the free movement of rice to other States.

DR. V. K. JOHN : Sir, is the Southern Zone self-sufficient in the production of rice?

THE HON. SRI M. BHAKTAVATSALAM : Yes, Sir. It is quite sufficient.

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SRI V. CHAKKARAI CHETTY : Sir, is it a mandatory order from the Government of India that we should supply rice? Supposing we are unable to supply, what will be the consequence? Is it a mandate that we are obliged to obey or is it a mere request in the nature of a friendly action on the part of the Government for supplying rice to some other State that may be needy?

THE HON. SRI M. BHAKTAVATSALAM : There is no mandate, and there is no question of obedience or disobedience. There is free movement of rice, and unless we want to introduce control again, we cannot help rice moving from one State to another.

Grant of recognition to Service and Ex-Servicemen's Associations

* 19 *Q.*—SRI T. PURUSHOTHAM : Will the Hon. the Minister for Finance be pleased to state—

(*a*) the rules governing the grant of recognition to Service and ex-Servicemen's Associations;

(*b*) whether it is a fact that the Madras State Pensioners' Association applied to Government in 1957 for recognition; and

(*c*) if so, the action taken thereon?

THE HON. SRI C. SUBRAMANIAM : (*a*) Copies of instructions[a] regarding grant of recognition to Service Associations are placed on the table of the House. Similar rules have not been framed for grant of recognition to ex-Servicemen's Association, viz., Association comprising persons who have retired from Government service.

(*b*) Yes.

(*c*) The State Pensioners' Association was informed that it was not necessary for Government to recognize the Association as no useful purpose would be served by granting recognition.

SRI V. CHAKKARAI CHETTY : Sir, may I know whether the Service Association is in the nature of a trade union organization? If the trade union organization follows certain conditions, recognition automatically follows. Is the Pensioners' Association in the nature of a trade union organization? In that case, if we have laid down rules and they have followed them, recognition would automatically follow. Is this not so?

THE HON. SRI C. SUBRAMANIAM : We have not recognized the State Pensioners' Association. But, as far as Service Associations are concerned, they do not come under the Trade Union Act.

SRI T. PURUSHOTHAM : Sir, as the rules placed on the table of the House show that there is bar on only office-bearers being in active service of the Government, will the Government reconsider the question of recognition for the Madras State Pensioners' Association?

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[a] Printed as Appendix I on pages 230–232 infra.